

# **EXHIBIT A**

**RENTAL-PURCHASE AGREEMENT**

As used in this Agreement, "you" and "your" mean the person(s) signing the Agreement as lessee/renter/consumer; "we" and "our" mean the lessor/owner (the rental company); "property" means the items described in the disclosures; and "lease" means this Rental-Purchase Agreement including the disclosures.

**RENTAL-PURCHASE DISCLOSURES**

Agreement Number: gh500527

Lessee: MALIK, JASON M

**1. Lessor:** RAC Acceptance  
20999 Groesbeck Hwy  
Warren MI 48089-4916  
(586) 777-4304 LOC: 6619-M

24501 Star Valley Dr  
Saint Clair Shor MI 48080-3178  
(586) 306-8120 MAP CODE: 1 RT: 01

**2. DESCRIPTION OF RENTAL PROPERTY:**

Item #	Item Description	Serial #	Model #	Condition
0661900934	FURNITURE /BED ONLY	HB/FB/RAILS	COMPLETE BED	NEW
0661900935	FURNITURE /QUEEN MATTRES	QUEEN MATT/FDN	QUEEN SET	NEW

**3. TOTAL PAYMENT DUE AT BEGINNING OF CONTRACT:**

Rental payment: \$ 152.32  
Tax: \$ 9.14  
Optional Liability Damage Waiver: \$ 11.42  
Total: \$ 172.88

**4. TERMS AND COST OF THE LEASE:** If you choose to acquire ownership, you must rent the property for the number of weeks, semi-months or months shown below. The Total of Payments does not include other charges, such as reinstatement fees, and Optional Liability Damage Waiver fees. You should read the contract for an explanation of these charges.

**Weekly** If you choose to acquire ownership through weekly rental, you will make 127 payments: the initial rental payment of \$ 152.32, 125 weekly payments of \$31.99 and a final payment of \$4.57 for a total of \$4,155.64 in rent and sales tax of \$249.41 for a Total of Payments of \$4,405.05.

**Semi-monthly** If you choose to acquire ownership through semi-monthly rental, you will make 59 payments: the initial rental payment of \$ 152.32, 57 semi-monthly payments of \$69.26 and a final payment of \$55.40 for a total of \$4,155.54 in rent and sales tax of \$249.58 for a Total of Payments of \$4,405.12.

**Monthly** If you choose to acquire ownership through monthly rental, you will make 30 payments: the initial rental payment of \$ 152.32, 28 monthly payments of \$138.61 and a final payment of \$124.74 for a total of \$4,158.14 in rent and sales tax of \$249.58 for a Total of Payments of \$4,407.72.

You do not own the property. You will not own the property until you have made the total payment necessary to acquire ownership. If you choose to renew this Agreement on a frequency different from your initial rental payment term, your total amount will be calculated based on the above amounts and on the number of payments made at each frequency. Free rent allowance will not reduce total rent or purchase-option amounts. Sales taxes are subject to changes in the applicable tax rate.

**5. PERIODIC PAYMENT:** You are not obligated to renew this Agreement beyond the initial term. However, if you choose to renew this Agreement beyond the initial term, or beyond any subsequent renewal term, you may do so by making an advance rental payment on the **01** of each **Month**, or you may choose to make advance rental payments on a **Weekly** or **Semi-Monthly** basis. Your first renewal payment is due **Thursday** **Mar 01, 2012**

Payments	Rental Payment	Optional Liability Damage Waiver	Tax	Total
Weekly	\$31.99	\$2.40	\$1.92	\$36.31
Semi-Monthly	\$69.26	\$5.19	\$4.16	\$78.61
Monthly	\$138.61	\$10.40	\$8.32	\$157.33

You are liable for loss, damage in excess of normal wear and tear, or destruction to the leased property.

**6. OTHER CHARGES:**

Optional Liability Damage Waiver Fee: \$10.40  
Reinstatement Fee: 5% of the balance of missed payments, or \$5.00 whichever is less.

**7. LIABILITY:**

You are liable for loss, damage in excess of normal wear and tear, or destruction to the leased property.

**8. MAINTENANCE:**

We will maintain the leased property in good working condition during the term of the lease and will provide all necessary service and repair if you notify us by phone or mail that service is needed. We are not responsible for maintenance done by anyone other than us.

**9. TERMINATION AND DEFAULT:**

You may terminate this lease at any time without paying any charges other than those previously due. We may terminate this lease for a default in payment or breach of any other material term of the lease. If a termination occurs, we shall be entitled to all rental payments up to the date of termination and the expenses of repossessing the property if you fail to surrender it to us.

**10. REINSTATEMENT:**

We do not charge late payment charges. If you elect to renew within 3 weeks/semi-months/months, and surrender the property within 1 week/semi-month/month of missing a payment, you may reinstate without loss of any rights or options previously acquired. However, if you miss more than 1 payment, a reinstatement fee of 5% of the balance of the missed payments, or \$5.00 whichever is less, may be charged. Also, a delivery fee, not to exceed the original delivery fee, may be charged if redelivery of the property is required.

**11. PURCHASE OPTION:**

You may purchase the property leased to you under this contract for the cash price minus 45% of all periodic payments made. The property leased under this contract would cost \$2,079.35 (Cash Price) if purchased rather than leased. In addition, you may purchase the property within the first 90 days after the date of this agreement by paying us an amount equal to the Cash Price minus the total of all rental payments (excluding tax) made by you, plus tax.

**12. WARRANTY:**

A manufacturer's warranty on the property leased under this contract shall be passed on to the lessee if the lessee purchases the property.

**13. ARBITRATION:**

An Arbitration Agreement comes with and is incorporated into this rental purchase agreement. You should read the Arbitration Agreement before signing this agreement.

**14. NOTICE:**

**THIS AGREEMENT IS REGULATED BY STATE LAW AND MAY BE ENFORCED BY THE ATTORNEY GENERAL OR BY PRIVATE LEGAL ACTION.**

I have read the above statement before signing this rental-purchase agreement.

Date

Lessor

Lessee

Lessee

Rental contract pledged as collateral security to Chase Manhattan Bank as an administrative agent for the Bank group.

MI E5/24/07 S5/24/07



READ THIS ARBITRATION AGREEMENT. IF YOU DON'T REJECT IT IN ACCORDANCE WITH PARAGRAPH (A) BELOW, IT WILL BECOME PART OF YOUR RENTAL-PURCHASE AGREEMENT\* AND HAVE A SUBSTANTIAL IMPACT ON THE WAY IN WHICH YOU OR WE WILL RESOLVE ANY CLAIM WHICH YOU OR WE HAVE AGAINST EACH OTHER NOW OR IN THE FUTURE.

Date: Jan 27, 2012

Rental-Purchase Agreement Number: gh500527

Lessor: RAC Acceptance  
20999 Groesbeck Hwy  
Warren MI 48089-4916  
(586) 777-4304 LOC: 6619-M

Consumer/Lessee/Renter: MALIK, JASON M  
(the "Consumer")  
24601 Star Valley Dr  
Saint Clair Shor MI 48080-3178  
(586) 306-8120 MAP CODE: 1 RT: 01

#### Arbitration Agreement

This Arbitration Agreement describes when and how a Claim (as defined below) may be arbitrated. Arbitration is a method of resolving disputes in front of one or more neutral persons. Instead of having a trial in court in front of a judge and/or jury. It can be a quicker and simpler way to resolve disputes. As solely used in the Arbitration Agreement: (i) the terms "you" and "your" mean the Consumer; (ii) the terms "we," "us" and "our" mean the Lessor and its parent companies, wholly or majority-owned subsidiaries, affiliates, successors, assigns (including assignees of the Rental-Purchase Agreement) and any of their past or present employees, officers and directors and any third party providing any goods or services in connection with the origination, servicing and collection of amounts due under the Rental-Purchase Agreement if such third party is named as a party by you in any lawsuit between you and us; and (iii) the term "Rental-Purchase Agreement" means the Rental-Purchase Agreement numbered above and any prior rental-purchase agreement between you and us.

**(A) Your Right to Reject:** If you don't want this Arbitration Agreement to apply, you may reject it by mailing us at RAC Acceptance, Legal Department, 5501 Headquarters Drive, Plano, TX 75024 a written rejection notice which describes the Rental-Purchase Agreement and tells us that you are rejecting this Arbitration Agreement. A rejection notice is only effective if it is signed by all Consumers and if it is postmarked within one (1) week after the date of this Arbitration Agreement. If you reject this Arbitration Agreement, that will not affect any other provision of the Rental-Purchase Agreement. In addition, if you reject this Arbitration Agreement, it will not have any effect on any prior arbitration agreement between you and us and such prior agreement will remain in full force and effect. If you don't reject this Arbitration Agreement, it will be effective as of the date of this Arbitration Agreement.

**(B) What Claims Are Covered:** "Claim" means any claim, dispute or controversy between you and us that in any way arises from or relates to the Rental-Purchase Agreement or the leased property, except "Claim" does not include any claim or action by either party seeking judicial determination of that party's right to possession of the leased merchandise, provided that such a claim or action does not involve a request for monetary relief of any kind.

"Claim" has the broadest possible meaning and, except as set forth above, includes initial claims, counterclaims, cross-claims and third-party claims. It includes disputes based upon contract, tort, fraud and other intentional torts, constitution, statute, regulation, ordinance, common law and equity (including any claim for injunctive or declaratory relief other than a declaration of a party's right to possession). It also includes disputes about the validity, enforceability, arbitrability or scope of this Arbitration Agreement or the Rental-Purchase Agreement. However, we will not choose to arbitrate an individual Claim that you bring against us in small claims court or your state's equivalent court, if any. But, if that Claim is transferred, removed or appealed to a different court, we then have the right to choose arbitration.

**(C) How Arbitration Is Started:** Either you or we may require any Claim to be arbitrated. Either you or we may do so before or after a lawsuit has been started over the Claim or with respect to other Claims brought later in the lawsuit. Arbitration of a Claim must comply with this Arbitration Agreement and the applicable rules of the arbitration Administrator.

**(D) Choosing the Administrator:** The party requiring arbitration must choose one of the following arbitration Administrators:

- American Arbitration Association ("AAA"), 1633 Broadway, 10th Floor, New York, NY 10019, www.adr.org, (800) 778-7879.
- Judicial Arbitration & Mediation Services / Endispute ("JAMS"), 1920 Main Street, Suite 300, Irvine, CA 92614, www.jamsadr.com, (800) 352-5267

However, no arbitration may be administered, without the consent of all parties to the arbitration, by any organization that has in place a formal or informal policy that is inconsistent with and purports to override the terms of this Arbitration Agreement. You choose the Administrator when you start an arbitration proceeding. If we desire to start the arbitration proceeding, we will give you 20 days to choose the Administrator and, if you fail to do so, we will select the Administrator. In all cases, the arbitrator must be a lawyer with more than 10 years of experience. If for any reason the chosen organization is unable or unwilling or ceases to serve as the Administrator, you and we will use the other Administrator from the above list.

**(E) Court and Jury Trials Prohibited and Other Limitations on Legal Rights:** If arbitration is chosen with respect to a Claim, all of the following apply:

- There will be no right to try that Claim in court.
- There will be no jury trial on that Claim.
- There will be no pre-arbitration discovery, except as allowed by the arbitration rules of the Administrator or this Arbitration Agreement.
- We and you are prohibited from participating in a class action or class-wide arbitration with respect to that Claim and the arbitrator has no authority to hear any such Claim (the "Class Action Waiver"). This means that neither we nor you can be a representative or member of any class of claimants (or defendants) or act as a private attorney general in court or in arbitration with respect to that Claim.
- Claims brought by or against one Consumer may not be joined or consolidated in the arbitration with Claims brought by or against any Consumer who obtained a different Rental-Purchase Agreement (the "Consolidation Waiver").
- Except as allowed by this Arbitration Agreement and the Federal Arbitration Act ("FAA"), the arbitrator's decision will be final and binding.
- Other rights that you or we would have in court may also not be available in arbitration.

\* In some states, the agreement is called a "Lease-Purchase Agreement," "Rental Agreement," a "Rent to Own Agreement," or a "Consumer Lease Agreement." For purposes of this Arbitration Agreement only, each type of agreement will hereinafter be referred to as a "Rental-Purchase Agreement".



(F) *Effect of Class Action and Consolidation Waivers:* Regardless of anything else in this Arbitration Agreement, the validity and effect of the Class Action Waiver and Consolidation Waiver may be determined only by a court and not by an arbitrator. If a court limits or voids the Class Action Waiver or Consolidation Waiver in a proceeding brought as a class or representative proceeding, then this entire Arbitration Agreement (except for this sentence) shall be null and void with respect to such proceeding, subject to the right to appeal such limitation or voiding of the Class Action Waiver and/or Consolidation Waiver.

(G) *Location of Arbitration:* Any arbitration hearing that you attend must take place at a location reasonably convenient to your residence.

(H) *Cost of Arbitration:* If you tell us in writing that you can't afford to pay the fees charged by the Administrator and the arbitrator or you believe that the fees are too high, we will pay or reimburse you for the fees if your request is reasonable and in good faith. We will always pay such fees if applicable law or a court requires that. We will not ask you to pay or reimburse us for any fees we pay the Administrator and the arbitrator. Each party must pay the expense of that party's attorneys, experts and witnesses, regardless of which party prevails in the arbitration, unless applicable law and/or this Arbitration Agreement and/or the Rental-Purchase Agreement gives a party the right to recover any of those fees from the other party.

(I) *Governing Law:* This Arbitration Agreement is made pursuant to a transaction involving interstate commerce and is governed by the FAA, 9 U.S.C. §§ 1 *et seq.*, and not by any state arbitration law. However, Texas law shall be applied in determining the validity and enforceability of this Arbitration Agreement (or any provision hereof) to the extent that state law is relevant under the FAA in determining the validity and enforceability of this Arbitration Agreement. The arbitrator shall apply the substantive law consistent with the FAA that would apply if the matter had been brought in court and shall award only such remedies as may be awarded in court (including, without limitation, punitive damages, which shall be governed by the Constitutional standards employed by the courts). The arbitrator shall also apply applicable statutes of limitation and claims of privilege recognized at law. At the timely request of either party, the arbitrator must provide a brief written explanation of the basis for the award.

(J) *Right to Discovery:* In addition to the parties' rights to obtain discovery pursuant to the arbitration rules of the Administrator, either party may submit a written request to the arbitrator to expand the scope of discovery normally allowable under the arbitration rules of the Administrator. The arbitrator shall have discretion to grant or deny that request.

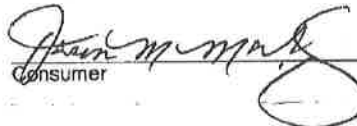
(K) *Arbitration Award and Right of Appeal:* Judgment upon the award given by the arbitrator may be entered in any court having jurisdiction. The arbitrator's decision is final and binding, except for any right of appeal provided by the FAA. However, if the amount of the Claim exceeds \$100,000, any party can appeal the award to a three-arbitrator panel administered by the Administrator which shall reconsider any aspect of the initial award requested by the appealing party. The decision of the panel shall be by majority vote. Reference in this Arbitration Agreement to "the arbitrator" shall mean the panel of arbitrators if an appeal of the arbitrator's decision has been taken. Subject to applicable law, costs of such an appeal will be borne by the appealing party regardless of the outcome of the appeal. However, we will consider in good faith any reasonable request for us to pay all or any part of the fees charged by the Administrator and the arbitrators if you are the appealing party.

(L) *Rules of Interpretation:* This Arbitration Agreement shall survive the repayment of all amounts owed under the Rental-Purchase Agreement, any legal proceeding or use of a self-help remedy by us to recover the leased property or to collect a debt owed by you to us, any termination of the Rental-Purchase Agreement by you, any renewal of the term of the Rental-Purchase Agreement, your purchase of the leased property (if permitted under the Rental-Purchase Agreement) and any bankruptcy by you or us, to the extent consistent with applicable bankruptcy law. Except as provided above in the last sentence of Paragraph (F), if any portion of this Arbitration Agreement is determined to be invalid or unenforceable, it shall not invalidate the remaining portions of this Arbitration Agreement or the Rental-Purchase Agreement. This Arbitration Agreement shall be incorporated into and shall be considered part of the Rental-Purchase Agreement. However, in the event of a conflict or inconsistency between this Arbitration Agreement, on the one hand, and the applicable arbitration rules or the other provisions of the Rental-Purchase Agreement, on the other hand, this Arbitration Agreement shall govern. This Arbitration Agreement supercedes any other arbitration provision or requirement that may otherwise be applicable.

#### ACKNOWLEDGMENT

BY SIGNING BELOW, YOU ACKNOWLEDGE THAT: (1) YOU HAVE READ THIS ENTIRE ARBITRATION AGREEMENT CAREFULLY; (2) YOU ARE ENTERING INTO THIS ARBITRATION AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS ARBITRATION AGREEMENT; (3) YOU WILL HAVE THE RIGHT TO REJECT THIS ARBITRATION AGREEMENT IN ACCORDANCE WITH PARAGRAPH (A) ABOVE; AND (4) YOU HAVE BEEN PROVIDED WITH A DUPLICATE COPY OF THIS ARBITRATION AGREEMENT.

Date 01/27/12

  
Consumer

Date \_\_\_\_\_

Consumer

RAC Acceptance

Date 01/27/12

By 

## OPTIONAL LIABILITY WAIVER PROVISION

Rental Agreement No. gh500527

By signing below, you agree to pay an Optional Liability Waiver fee of \$2.40/ \$5.19/ \$10.40 with your weekly/semi-monthly/monthly rental payment while this Provision is in effect. By accepting this fee, RAC Acceptance agrees to waive your liability to RAC Acceptance, if the property is damaged, destroyed or lost through:

- |              |              |
|--------------|--------------|
| 1. Lightning | 4. Windstorm |
| 2. Fire      | 5. Theft     |
| 3. Smoke     | 6. Flood     |

As used here "theft" means the criminal taking of the rental property from the residence shown in the Agreement by a person or persons making felonious entry through force or violence, as evidenced by visual marks or physical damage to the exterior of the premises at the point of entry. You must supply RAC Acceptance with a

police report showing theft of or damage to the rental property.

This Optional Liability Waiver Provision does not apply to loss or damage due to mysterious disappearance, abandonment of the property, moisture, intentional acts or your neglect. RAC Acceptance will waive your liability for damage, destruction or loss only if you have paid all periodic rental payments including the liability waiver fee through the date of loss and have complied with all other

terms of your Rental Agreement and the terms of this Optional Liability Waiver Provision. This Provision will remain in effect until it is canceled. You or RAC Acceptance may terminate this Optional Liability Waiver at any time without notice and the termination will become effective at the end of the current period for which you have paid this Optional Liability Waiver fee. This provision will automatically be canceled if you are more than 14 days past due.

This Optional Liability Waiver Provision is an additional part of the Rental Agreement.

NOTICE: THIS CONTRACT OFFERS, FOR AN ADDITIONAL CHARGE, AN OPTIONAL LIABILITY DAMAGE WAIVER TO COVER YOUR RESPONSIBILITY FOR DAMAGE TO THE PROPERTY. BEFORE DECIDING WHETHER TO PURCHASE THE OPTIONAL LIABILITY WAIVER, YOU MAY WISH TO DETERMINE WHETHER YOUR OWN HOMEOWNERS OR CASUALTY INSURANCE AFFORDS YOU COVERAGE FOR DAMAGE TO THE RENTAL PROPERTY, AND THE AMOUNT OF DEDUCTIBLE UNDER YOUR OWN INSURANCE COVERAGE. THE PURCHASE OF THIS OPTIONAL LIABILITY DAMAGE WAIVER IS NOT MANDATORY AND MAY BE DECLINED

I/We understand that this Optional Liability Waiver Provision is not insurance.

Renter: [Signature]

Date: 01/27/12

Renter: \_\_\_\_\_

Date: \_\_\_\_\_

I/We decline the Optional Liability Waiver Provision and accept full responsibility for damage, loss or destruction to the property pursuant to the terms of my/our Rental Agreement.

Renter: \_\_\_\_\_

Date: \_\_\_\_\_

Renter: \_\_\_\_\_

Date: \_\_\_\_\_



# DISCOUNT PROGRAM MEMBERSHIP FORM

DATE: 01/27/12  
Month / Day / Year

ACCOUNT # 06619000483

## 1. RAC Acceptance

Store # gh5  
Address 20999 Griesbeck Hwy  
City Warren State MI Zip 48089-4916

## 2. Rental Customer

Last Name MALIK, JASON M First Name  
Address 24501 Star Valley Dr  
City Saint Clair Shor State MI Zip 48080-3178

To receive Club benefits, I the member agree to pay **\$3.00** [ ] per week, **\$6.49** [ ] per semi-month, **\$12.99** [ ] per month. The membership will automatically terminate if I fail to make a membership payment within thirty-one (31) days of its due date or if I do not maintain the optional Liability Damage Waiver on all of my active rental agreements. I, the member, can terminate the optional RAC Benefits Plus membership at any time by requesting orally or in writing a cancellation of my membership. RAC Acceptance does not offer this RAC Benefits Plus program in California, Indiana, Wisconsin, Canada, or the Commonwealth of Puerto Rico. Accordingly, if I move to one of these locations, my RAC Benefits Plus membership will terminate. A complete listing of benefits and the terms and conditions of membership are contained in the membership booklet which is incorporated herein by reference.

**The Discount Health Benefits in this program are NOT insurance, health insurance or a health insurance policy. They are not intended as a substitute for insurance. The medical discount plan provides discounts only at participating providers or pharmacies.**

The plan does not make payments directly to the providers of health care and the discount medical plan is prohibited from making members' payments to providers for medical services received under the discount medical plan. **The member will be required to pay for all health care or medical services but will receive a discount from those providers of health care who have contracted with the medical discount plan.** If you need more information or have a complaint about the Discount Health Benefits in this program call 1-888-770-4123. You may also see a list of providers and obtain information at [www.racbenefitsplus.com](http://www.racbenefitsplus.com).

The range of discounts for medical services offered under the discount medical plan will vary depending on the type of provider and medical services. You are not obligated to make any further payments under the plan after your last payment, but you will not be entitled to any benefits under the plan after the plan is terminated. The discount medical benefits of your plan includes access to a vision care network, a dental care network, a physician care network, a pharmacy network, a chiropractic network and a nurse helpline. Please refer to your benefit book for complete details.

**You have the right to cancel your membership at anytime. If you cancel your membership within 30 days of receiving your membership card and the membership materials, you are entitled to a full refund of your membership fees paid. Please notify the store where you purchased your membership to obtain any refund due.**

☒ I have read and understood this membership form and I wish to participate in this program.

☐ I decline membership in this program and I understand membership benefits do not apply to me.

**RAC Benefits Plus membership is optional to me and merchandise rental is not in any way subject to acceptance of the membership.**

Customer signature [Signature]

Coworker signature [Signature]

**Discount Medical Plan Organization, Alliance HealthCard of Florida, Inc., 3500 Parkway Lane, Suite 720, Norcross, GA 30092. 1-877-572-2244 [www.racbenefitsplus.com](http://www.racbenefitsplus.com)**

Form # RAC\_Canada 04/11

Distribution: 1. Store

2. Customer